

# Water and Sewer Authority

www.dcwasa.com

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$249,304,000	\$259,095,000	\$275,289,000	6.3

The mission of the Water and Sewer Authority (WASA) is to serve all its regional customers with superior service by operating reliable and cost-effective water and wastewater services in accordance with best practices.

In 1996, regional participants in the Water and Sewer Authority services, including the District of Columbia, Montgomery and Prince George's counties in Maryland, and Fairfax County in Virginia and the U.S. Congress, agreed to create an independent, multi-jurisdictional water and wastewater authority. In April 1996, the Council of the District of Columbia passed the "Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996", a statute that provided the groundwork for the Authority to become operationally independent on October 1, 1996. Since that time, WASA has met its mission of providing clean drinking water to residents of the District of Columbia and wastewater conveyance and treatment services to both residents of the District and wholesale customers in Maryland and Virginia.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Customer and Community Service: WASA is committed to understanding, serving and responding to the needs of its diverse cus-

tomers and stakeholders. WASA will utilize state-of-the-art technology to monitor, measure and manage customer expectations and reach out to improve relationships with stakeholders and the public.

- Organizational Effectiveness: WASA will ensure the effectiveness of the organization by creating and maintaining a safe, productive, highly competent, diverse workforce. WASA will, through partnerships with stakeholders, maintain a professional, high-functioning, ethical work environment and culture.
- Environmental Quality and Operations: WASA will provide excellent environmental stewardship, meet and surpass regulatory standards and manage the Authority's infrastructure effectively.
- Finance and Budget: WASA will maintain a sound financial position by optimizing operational and capital programs and exploring additional revenue sources, while maintaining fair and equitable rates.

The safety of the District's water supply is WASA's top priority. In the summer of 2002, it as determined that the lead content sampled at

## Funding by Source

Table LA0-1 shows the sources of funding for the Water and Sewer Authority.

Table LA0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Special Purpose Revenue Fund	203,027	249,304	259,095	275,289	16,194	6.3
Total for General Fund	203,027	249,304	259,095	275,289	16,194	6.3
Intra-District Fund	0	0	0	0	0	0.0
Total for Intra-District Funds	0	0	0	0	0	0.0
Gross Funds	203,027	249,304	259,095	275,289	16,194	6.3

## Expenditures by Comptroller Source Group

Table LA0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table LA0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
11 Regular Pay - Cont Full Time	38,037	35,677	57,677	62,225	4,548	7.9
12 Regular Pay - Other	0	0	0	0	0	0.0
13 Additional Gross Pay	9,009	13,058	0	0	0	-3.2
14 Fringe Benefits - Curr Personnel	11,222	11,038	12,516	12,502	-14	0.0
15 Overtime Pay	3,894	4,318	4,739	4,586	-153	3.2
Subtotal Personal Services (PS)	62,162	64,091	74,932	79,313	4,381	5.8
20 Supplies and Materials	11,483	14,768	18,963	18,874	-89	-0.5
30 Energy, Comm. And Bldg Rentals	16,825	17,276	21,608	22,376	768	3.6
31 Telephone, Telegraph, Telegram, Etc	829	840	0	0	0	0.0
32 Rentals - Land And Structures	2,416	2,687	0	0	0	0.0
40 Other Services And Charges	43,128	41,254	78,912	78,784	-128	-0.2
41 Contractual Services - Other	32,641	34,133	0	0	0	0.0
50 Subsidies And Transfers	16,904	13,723	18,365	18,365	0	0.0
60 Land And Buildings	1,126	2,166	0	0	0	0.0
70 Equipment & Equipment Rental	960	1,025	1,260	1,279	19	1.5
80 Debt Service	14,552	17,816	45,055	56,298	11,243	25.0
92 Expense Not Budgeted-deprec	0	39,524	0	0	0	0.0
Subtotal Nonpersonal Services (NPS)	140,865	185,213	184,163	195,976	11,813	6.4
<b>Total Proposed Operating Budget</b>	<b>203,027</b>	<b>249,304</b>	<b>259,095</b>	<b>275,289</b>	<b>16,194</b>	<b>6.3</b>

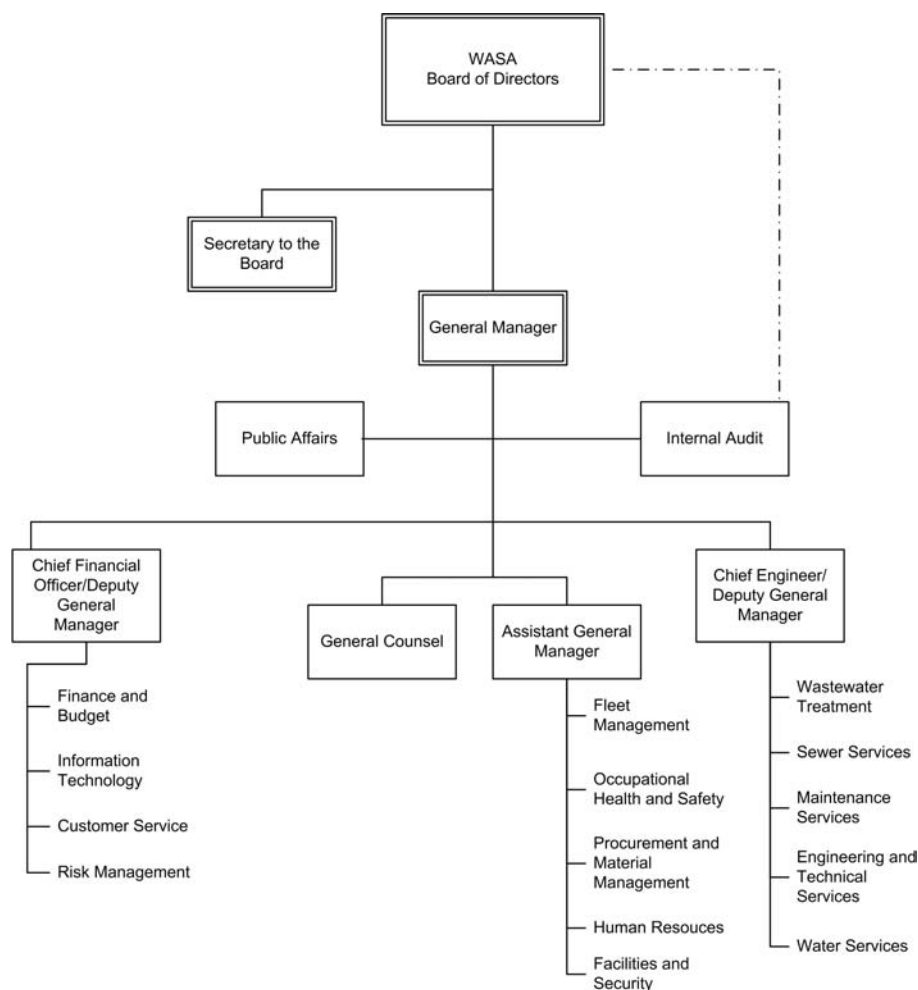
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## Expenditures by Program

The Water and Sewer Authority has the following program structure:

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Figure LA0 - 1  
**Water and Sewer Authority**



some WASA customers taps was above the action level specified by the Environmental Protection Agency (EPA). This triggered new operating and capital requirements for WASA, including distribution of public education materials and a program of annual replacement of lead service lines until the lead content levels drop below EPA standards (approximately 22,000 of WASA's 124,000 service lines are lead).

The drinking water supplied by WASA to its customers is purchased from the Washington Aqueduct, which is managed by the U.S. Army

Corps of Engineers. In response to the elevated lead levels, in early 2004 Corps officials announced that they would begin testing a new water treatment plan in June 2004. The solution, first advanced a decade ago and now used by nearly half of the utilities in the country, requires introducing phosphates into the water, which is expected to render the system less corrosive and eventually control lead contamination.

In 2004, WASA fully committed itself to work with the EPA, the Aqueduct, and the District of Columbia Department of Health to quickly and safely reduce the corrosivity of the water and formed a technical expert-working group comprised of teams to address the water treatment process, the distribution systems, and the communication of potential risks to the public.

## Gross Funds

The proposed budget is \$275,289,000, representing an increase of 6.3 percent over the FY 2004 approved budget of \$259,095,000. This budget supports no District full-time equivalent positions (FTEs). WASA employees do not fall under the District's Merit Personnel System and therefore are not reflected in the District's FTE authority.

## General Fund

**Special Purpose Revenue Funds.** The proposed budget is \$275,289,000, an increase of \$16,194,000 over the FY 2004 approved budget of \$259,095,000. This budget supports no District full-time equivalent positions (FTEs).

Changes from the FY 2004 approved Budget are:

- An increase of \$11,243,000 for increased debt service requirements due to the progression of the CIP.
- An increase of \$4,417,000 for costs associated with on going operating and maintenance initiatives.
- An increase of \$534,000 to pay additional District payment-in-lieu-of-taxes (Pilot) according to the memorandum of understanding between WASA and the District.

## Programs

The Water and Sewer Authority is committed to the following programs:

### Retail Water Service

The authority provides **retail water service** to more than a half of a million residents and businesses in the District of Columbia, including operation and maintenance of the distribution

system and direct customer service functions, such as billing and collections. The authority purchases treated water from the Washington Aqueduct, and is responsible for approximately seventy-five percent of the Aqueduct's costs. (A separate budget chapter is included in this document for the Washington Aqueduct.)

### Retail Wastewater Treatment and Conveyance services

The authority provides **retail wastewater treatment and conveyance services** to residents and businesses of the District, including operation of the Blue Plains Advanced Wastewater Treatment Plant and operation and maintenance of the combined and separate sanitary sewer conveyance systems.

### Wholesale Wastewater Treatment and Conveyance services

The authority also provides **wholesale treatment services** at Blue Plains to certain portions of Prince George's and Montgomery counties in Maryland and Fairfax and Loudoun counties in Virginia, and operates certain key conveyance lines for those jurisdictions. Provision of wholesale wastewater treatment service is governed by a separate contract (the Inter-Municipal Agreement), and each jurisdiction pays its pro-rata share of operating and capital costs at Blue Plains.

### Storm Water

In FY 2001, the authority began its responsibilities as administrator of the District's **storm water permit** compliance program. As laid out in legislation adopted by the District of Columbia Council in 2001 and a separate memorandum of understanding with various agencies of the District, the authority is responsible for the administration of the storm water control efforts of the District's Departments of Public Works, Transportation, and Health. (A separate enterprise fund has been established for storm water activities, and is included as a separate budget chapter in this document.)

## Agency Goals and Performance Measures

### Goal 1: Provide the highest quality service to our customers.

*Citywide Strategic Priority Area(s):* Promoting Economic Development; Making Government Work

*Manager(s):* Paul Bender, Chief Financial Officer

*Supervisor(s):* Jerry Johnson, General Manager

#### Measure 1.1: Percentage of meter-reading accuracy

	2002	2003	Fiscal Year 2004	2005	2006
Target	99.9	99.9	99.9	99.9	99.1
Actual	99.9	99.9	-	-	-

#### Measure 1.2: Percentage of all calls answered within two minutes

	2002	2003	Fiscal Year 2004	2005	2006
Target	97	97	97	97	97
Actual	80	83	-	-	-

#### Measure 1.3: Number of days to resolve correspondence

	2002	2003	Fiscal Year 2004	2005	2006
Target	30	30	30	30	30
Actual	58	30	-	-	-

### Goal 2: Provide reliable, high-quality drinking water to customers.

*Citywide Strategic Priority Area(s):* Strengthening Children, Youth, Families, and Elders; Building Safer Neighborhoods

*Manager(s):* Michael Marcotte, Chief Engineer

*Supervisor(s):* Jerry Johnson, General Manager

#### Measure 2.1: Percentage of time that drinking water complies with EPA quality requirements

	2002	2003	Fiscal Year 2004	2005	2006
Target	100	100	100	100	100
Actual	100	100	-	-	-

#### Measure 2.2: Number of distribution system miles that are flushed

	2002	2003	Fiscal Year 2004	2005	2006
Target	600	500	500	500	500
Actual	500	360	-	-	-

#### Measure 2.3: Percentage of water main breaks that receive an initial response within 45 minutes

	2002	2003	Fiscal Year 2004	2005	2006
Target	100	95	95	95	95
Actual	90	48	-	-	-

#### Measure 2.4: Percentage of water main breaks that are repaired within 10 days

	2002	2003	Fiscal Year 2004	2005	2006
Target	100	90	90	90	90
Actual	73	45	-	-	-

Note: FY 2003-2004 targets decreased to 90 percent. (12/27/02)

### Goal 3: Provide high-quality wastewater treatment services to customers.

*Citywide Strategic Priority Area(s):* Strengthening Children, Youth, Families, and Elders; Building Safer Neighborhoods

*Manager(s):* Michael Marcotte, Chief Engineer

*Supervisor(s):* Jerry Johnson, General Manager

#### Measure 3.1: Percentage of time that the agency fully complies with the requirements of the EPA permit addressing the operation and maintenance of wastewater systems

	2002	2003	Fiscal Year 2004	2005	2006
Target	100	100	100	100	100
Actual	100	100	-	-	-

### Goal 4: Ensure that WASA's financial performance meets the expectations of the Board of Directors, customers, and the broader financial community.

*Citywide Strategic Priority Area(s):* Promoting Economic Development; Making Government Work

*Manager(s):* Paul Bender, Chief Financial Officer

*Supervisor(s):* Jerry Johnson, General Manager

#### Measure 4.1: Percentage of senior debt service coverage

	2002	2003	Fiscal Year 2004	2005	2006
Target	140	140	140	140	140
Actual	351	507	-	-	-

**Measure 4.2: Amount of operating cash reserves maintained for 180 days worth of operating and maintenance (O&M) expenses (\$ in millions)**

	Fiscal Year				
	2002	2003	2004	2005	2006
Target	91.2	94.6	97.7	98.8	98.9
Actual	134.6	118.7	-	-	-